

ECONOMIC NEWS

Quebec–Ontario: Job Creation Remains Sustained

HIGHLIGHTS

- ▶ Quebec and Ontario made strong contributions to the country's job growth (+34,500) in January.
- ▶ The number of workers in Quebec increased by 19,100 last month. This marks the second largest monthly gain following the correction of -45,100 jobs in November 2019.
- ▶ Ontario added 15,900 jobs in January, after gaining 24,000 in December.
- ▶ Full-time employment increased by 31,200 in Quebec and 10,000 in Ontario in January.
- ▶ Quebec's unemployment rate declined from 5.3% to 5.1% over the course of a month. Ontario's fell to 5.2% in January from 5.3% the previous month.

COMMENTS

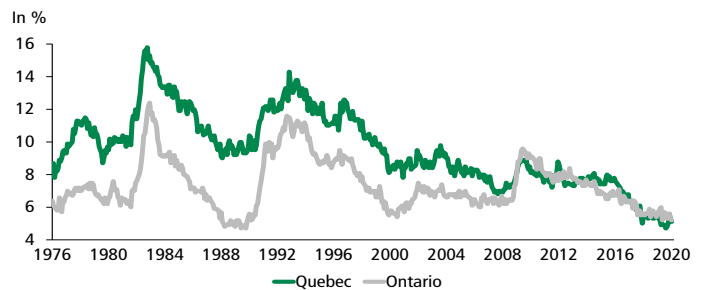
The year 2020 is off to a good start for job creation in Quebec and Ontario. The fact that the rise in the number of workers is mostly for full-time positions is also excellent news. Most of the new jobs created in January were in the private sector: 13,400 in Quebec and 9,300 in Ontario.

At just under 5%, the unemployment rate in Quebec is moving closer to the historic monthly low of 4.7% reached in August 2019. At 5.2%, Ontario's unemployment rate is back to the point reached in May 2019.

At the sectoral level, construction (+7,400), manufacturing (+8,600) and transportation and warehousing (+8,200) fuelled job growth in January in Quebec. While many sectors reported declines in the number of workers in January, the overall picture is positive.

GRAPH

Unemployment rate remains historically low



Sources: Statistics Canada and Desjardins, Economic Studies

In Ontario, the main employment drivers in January were wholesale and retail trade (+11,800), construction (+11,400) and professional, scientific and technical services (+10,700). A number of sectors suffered declines, however.

IMPLICATIONS

According to the Statistics Canada survey, the labour market in Quebec and Ontario is doing just fine. That said, neither province is immune to an economic slowdown. The global economy is slowing and the pace of the U.S. economy has moderated to around 2%. Real GDP in Quebec and Ontario is therefore expected to slow this year. This should result in slower job growth.

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